

RESOLUTION NO. 2006-153

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING
PUBLIC BENEFIT PROGRAM FUNDS, AND FURTHER
AUTHORIZING THE CITY MANAGER TO EXECUTE
NECESSARY PROFESSIONAL SERVICES AGREEMENTS

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby approves Public Benefit Program funds for the following program extensions and/or renewals as follows and as shown on the project descriptions marked Exhibit A attached hereto:

- 1) Lodi Solar Schoolhouse Project – \$25,000.00
- 2) Lodi LivingWise Program – \$20,000.00
- 3) Lodi Appliance Rebate Program – \$30,000.00
- 4) Lodi Energy Efficient Home Improvement Rebate Program – \$70,000.00
- 5) Lodi Commercial Rebate Program – \$25,000.00
- 6) Industrial Customer High Efficiency Rebate Program – \$140,000.00

BE IT FURTHER RESOLVED that the City Manager is hereby authorized and directed to execute professional services agreements required for each Public Benefit Program.

Dated: August 2, 2006

I hereby certify that Resolution No. 2006-153 was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 2, 2006, by the following vote:

AYES: COUNCIL MEMBERS – Beckman, Hansen, Johnson, Mounce,
and Mayor Hitchcock

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

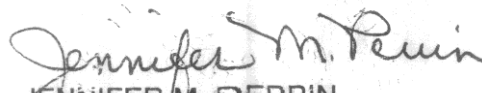

JENNIFER M. PERRIN
Interim City Clerk

EXHIBIT A

1. **Lodi Solar Schoolhouse Project - \$25,000:** Allocate funds to continue this energy education project for private and public school students and educators for FY07. The project funds the annual Lodi Solar Schoolhouse Olympics, teacher mini-grants for solar-related projects, and professional services provided by the Rarus Institute (this organization provides assistance to Electric Utility staff regarding renewable energy resources, such as solar and wind technology). Also by way of this Council action, a professional services contract with the Rarus institute will be extended for the 2006-2007 fiscal year.
2. **Lodi LivingWise Program - \$20,000:** Allocate funds to extend this energy conservation program for FY07. This program provides students and teachers at Lodi area schools with a useful tool that demonstrates energy and water conservation. For the 2006-2007 school year, EUD is once again proposing to provide up to 442 energy and water conservation kits to 6th grade students throughout Lodi. Each kit contains a compact fluorescent lamp, an Electro luminescent (energy efficient) Night Light, a low-flow showerhead, faucet aerators, a water leak test for toilets, teflon tape, tape measure, air temperature monitor, an energy efficiency CD-ROM game, tips on energy/water conservation, and specific ways to weatherize/insulate the home. There are kit pre-installation and post-installation course discussions that are provide" to the instructors, to ensure that the students are fully engaged in the project. To "kick-off the project, an Electric Utility staff member visits each classroom to reinforce the significance of the project and discuss the importance of energy/water conservation.
3. **Lodi Appliance Rebate Program - \$30,000:** Allocate funds to extend this energy conservation program for FY07. This program provides specific rebates for energy efficient refrigerators, energy efficient dishwashers, and energy/water efficient clothes washers. Under the program, eligible customers would receive the following rebates:
 - > EnergyStar® refrigerator \$50 rebate
 - > EnergyStar® dishwasher \$25 rebate
 - > EnergyStar® clothes washer \$75 rebate

Customers must purchase the aforementioned home appliance(s) from one of the six participating Lodi retailers, including: Anderson's Maytag, Ben's Appliance, Kundert & Bauer, Les' Appliance, Lowe's of Lodi, and Reo's Appliance.

EnergyStar® appliances consume, on average, twenty percent to thirty-five percent less electricity annually than a standard home appliance (refrigerator, dishwasher and clothes washer), which makes the purchase and installation of a high efficiency home appliance an extremely attractive, and cost effective, energy conservation measure.

- A **Lodi Energy Efficient Home Improvement Rebate Program - \$70,000:** Allocate funds to extend this energy conservation program for FY07. This program provides specific rebates for air duct replacement, air duct repair, attic insulation, radiant barriers, whole house fans, attic fans, ceiling fans, and windows/shade screens/window tinting for residential customers.

For the 2006-2007 fiscal year, the EUD is proposing the following conservation measures, and rebate amounts:

> air duct replacement	\$500
> air duct repair	\$150
> attic/wall insulation	\$ 0.15/sq. ft.
> radiant barrier/thermal shield	\$150
> whole house fan	\$100
> attic fan	\$ 40
> ceiling fan (max. 2 per address)	\$ 25
> shade screens/window tinting	\$ 0.50/sq. ft.

Note- The maximum allowable rebate under this program is \$250 per *customer service* address, with an additional \$150 allowance for air duct repairs, *or an* additional \$500 allowance for air duct replacement, if eligible. Customers *must also* consent to potential pre- and post-inspections of their property.

By installing some, or all, of the aforementioned energy conservation measures, residential customers may decrease monthly energy consumption from five percent, to as much as thirty percent (the actual energy savings will vary depending upon the number of conservation measures installed, the quality of installation and personal energy use patterns).

5. **Lodi Commercial Rebate Program - \$25,000:** Allocate funds to provide rebates to commercial customers under the electric rate classification of G-1 and G-2 for FY07. Specifically, the program offers a dollar-for-dollar rebate of up to \$250 for the purchase and installation of any/all of the following energy conservation improvements:

➤ ceiling fans; attic fans/ventilators; weather-stripping; attic insulation; air duct replacements/repairs; window tinting/shade screens/awning covers; Heating, Ventilation and Air Conditioning (HVAC)/refrigeration (such as an annual diagnostic and preventative maintenance service for each HVAC unit and/or refrigeration system).

➤ In addition, eligible customers may receive a rebate of 15 percent or \$750 (whichever amount is less), for installing a high efficiency mechanical system (13+ Seasonal Energy Efficiency Rating (SEER) air conditioner), or a lighting improvement/retrofit.

Participating customers must be on the published G-1 or G-2 electric rate schedule, current on all City of Lodi utility charges and consent to a potential pre- and post-inspection. Since the program's inception, over 600 small businesses have reduced energy consumption by installing some or all of the aforementioned energy efficiency measures, and received a rebate from the City of Lodi. The average annual energy savings that can be achieved is 5 percent to 25 percent, depending upon the energy efficiency measure(s) installed.

6. **Industrial Customer High Efficiency Rebate Program - \$140,000:** Allocate funds to extend this energy conservation program for FY07. Eligible customers will have the opportunity to receive a maximum rebate of \$10,000 for qualifying projects, including: lighting retrofits, process/manufacturing equipment & heavy refrigeration improvements, chillers & mechanical equipment change-outs, building automation/energy management control systems improvements, and building envelope retrofits.

An approved rebate will be based upon the following criteria:

- a minimum of 10 percent electric energy savings per energy efficiency measure installed;
- a minimum of 10 percent operations and maintenance savings per energy efficiency measure installed; and
- inclusion of all required engineering, design, labor, and materials documentation (a customer seeking a utility rebate must provide a detailed description of the energy efficiency project; calculated energy savings audit associated with the project; calculated operations and maintenance savings associated with the project; total "turn-key" cost of the project; design/engineering specifications, design drawings, equipment manufacturer cut sheets; baseline energy consumption data of the existing equipment being removed).

The total rebate available in a 12-month period for qualifying projects (one per customer of record) is \$10,000. The rebate is calculated on total kilowatt-hour (kWh) savings; for FY07 program, the rebate per kWh of savings will be \$0.15 (i.e., if a customer develops, and presents to the utility, a project that will save 50,000 kWh in a year, the total rebate $50,000 \text{ kWh} \times \$0.15 = \$7,500$).

"The utility will advertise an "open season" for accepting industrial rebate applications and will award those proposals that are judged to have highest efficiency benefit/cost ratio. Based on past experience, EUD expects to receive qualified proposals well in excess of the proposed funding level."